

## Remarks

### Summary of the Office Action

Claims 1-27 are pending in this application.

Claims 1-27 have been rejected as unpatentable over Risafi et al. (U.S. Patent No. 6,473,500) ("Risafi") in view of Williams et al. (U.S. Patent No. 5,815,657) ("Williams").

### Applicant's Response

Applicant respectfully submits that neither Risafi nor Williams, either alone or in combination, teach or suggest all of the features of applicants claimed invention. Risafi operates in a manner vastly different from applicant's claimed invention. Risafi discloses a system and method for using a prepaid card. See, Abstract. The prepaid card is associated with an account file that stores, among other information, a monetary value that the card user may use to purchase goods or services. If the card user desires to make a purchase using the prepaid card, the card user is required to physically possess the prepaid card when the purchase is to be made. This is because the prepaid card must be read by a card reader provided at a terminal used to complete the purchase. This is true even for purchases made over the Internet. Column 20, lines 1-2 state "a personal computer outfitted with a card reader is used as a terminal." Applicant's invention does not require use of a physical card to make purchases.

When a purchase is made using the prepaid card, a prepaid card processing center determines whether the prepaid card has sufficient funds to complete the purchase. If so, an amount of the purchase is deducted from a balance associated with the prepaid card.

Although applicant believes that claims 1 and 27, as originally amended, patentably distinguish over the prior art, in an effort to advance prosecution, applicant has amended independent claims 1 and 27 to more specifically state features recited in the previously presented claims, namely that the electronic tokens are issued by a vendor and that the user purchases products from that vendor. Support for this recitation is provided in the specification, e.g., at page 19, lines 1-29.

A card user purchases the prepaid card from an issuer, such as a bank, or an agent, however, the issuer issues the prepaid card to the card user. The agent may only sell or distribute prepaid card that have been issued by the issuer. See, column 10, lines 7-12. The issuer provides the prepaid card to a sales agent, such as an employer, telephone services provider having a terminal equipped with a card reader and connected to a processing center. The processing center stores prepaid card information such as account number, personal identification number (PIN), and card account balance. Each time the prepaid card is used to make a purchase, the terminal communicates with the processing center to determine whether the card account balance has sufficient funds to complete the purchase.

The process of issuing a prepaid card to a card user described in Risafi is distinct to applicants claimed invention. Claims 1 and 27 recite opening "a user account with a vendor" and permitting the user to select a subset of products for purchase "from the vendor." Thus, the vendor both establishes the user account and provides products for purchase to the user. Risafi does not disclose such a system. As described above, an issuer (which is only described in terms of a bank) issues the prepaid card and an agent (i.e., a commercial establishment)

offers the products or services for sale to the prepaid card user. The bank that issues the prepaid cards does not offer products or services for sale that the card user may purchase using the prepaid card. This is different from applicant's invention.

According to applicant's claimed invention, only one entity establishes the user account and offers products for sale to the user. A user opens an account with a vendor from which the user may desire to make purchases of goods and/or services. The vendor opens the user account and provides products and/or services that the user may purchase. A separate entity is not required to either open the user account or provide products and/or services for purchase. Therefore, Risafi does not teach or suggest opening "a user account with a vendor" and permitting the user to make purchases "from the vendor" as claimed.

Additionally, Risafi does not disclose issuing "one or more electronic tokens from the vendor" (emphasis added) as recited in independent claims 1 and 27. The Office Action concedes "the funds described by Risafi et al are not electronic tokens." Office Action, page 3. The funds, however, are also not issued "from the vendor" as claimed. The issuer issues the funds. As described above, the issuer and agent are separate entities. The agent, which offers products or services for sale to the user, does not issue the funds to the user. According to applicant's invention, products or services are purchased from the vendor. The vendor also issues the electronic tokens. Therefore, a single entity issues the tokens and offers products and services for sale, unlike Risafi. Therefore, Risafi does not disclose issuing "one or more electronic tokens from the vendor" as claimed.

Neither Risafi nor Williams disclose a vendor that opens an account with a user and issues one or more electronic

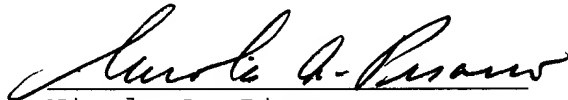
tokens from the vendor as claimed by applicant. Nowhere do Risafi or Williams disclose such a system or method of conducting electronic commerce.

Applicant respectfully submits that claims 1 and 27 patentably distinguish over the prior art, and thus dependent claims 2-26 also patentably distinguish over the prior art for at least the same reasons.

#### CONCLUSION

In view of the foregoing, applicant respectfully submits that the application is in condition for allowance. An early and favorable action is earnestly requested.

Respectfully submitted,



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